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TAGS: [PGOV](#) [PREL](#) [PA](#)
SUBJECT: A PRIMER ON GENERAL OVIEDO

REF: A. ASUNCION 636 (2007)
[1](#)B. ASUNCION 739 (2007)
[1](#)C. ASUNCION 748 (2007)
[1](#)D. ASUNCION 910 (2007)
[1](#)E. ASUNCION 940 (2007)

Classified By: DCM Michael J. Fitzpatrick; reasons 1.4 (b) and (d).

[1](#)1. (C) SUMMARY: National Union of Ethical Citizens (UNACE) presidential candidate Lino Oviedo, one of the top three contenders for the presidency in the April 20 national elections, has a long (and somewhat dark) history in Paraguayan politics. This message is intended to provide a chronological account of the high (or low) lights of Oviedo's military and political career, including his political activities as a military officer and his role in attempted coups, an assassination, and other nefarious endeavors. The final cable in this series will attempt to analyze Oviedo's personality and leadership style for Washington readers, should he upset front-runner Fernando Lugo and Colorado Blanca Ovelar next Sunday. END SUMMARY.

1989 COUP

[1](#)2. (C) On February 3, 1989, General Andres Rodriguez led a coup against President (and General) Alfredo Stroessner (his mentor and brother-in-law), who governed Paraguay as a military dictator since 1954. Lino Oviedo, then-commander of the Army's First Cavalry Division, is rumored to have long urged Rodriguez to execute the coup, and is informally credited with being the officer who "broke down the door" to arrest Stroessner. According to Embassy Asuncion reporting, Oviedo began to dabble in Paraguayan politics around 1989 (NOTE: While the 1992 constitution forbids the military from engaging in politics (Article 173), the 1967 constitution, in force at that time, was silent on that point. A politicized army, after all, had been key to Colorado rule for decades. END NOTE). Once Rodriguez became president, Oviedo served as his aide-de-camp. At that time, Embassy Asuncion believed Oviedo was not just aware of but actively managing contraband and narcotics trafficking.

EARLY 1990'S -- COUP RUMORS AND INTERFERENCE IN POLITICS

[1](#)3. (C) In 1991-92, Oviedo repeatedly denied intentions to execute a coup and confirmed his loyalty to President Rodriguez and constitutional order. In a 1992 speech, Oviedo called democracy "an irreversible process" in both Latin America and the world and the only viable way to attain the public welfare. Oviedo continued to engage in political activities. President Rodriguez tolerated Oviedo's political excursions, but once low-ranked him for promotion and admonished him several times for his activities, more because he resented the competition than because he disliked his

political activities per se.

14. (C) In December 1992, Colorado politics took a turn for the worse when exit polls showed Luis Maria Argana winning the Colorado nomination against Juan Carlos Wasmosy before the party's electoral officials suspended tabulations. With the vote counting stopped, the ballot boxes were moved to the First Calvary Division headquarters outside Asuncion under Oviedo's control. Once there, he and others (including current President Duarte and Senator Galaverna) gave the election to Wasmosy. In early 1993, Oviedo proposed postponing the May national elections and establishing a "government of national emergency" in which cabinet posts would be shared with the political opposition. He threatened to arrest President Rodriguez if he did not agree. Elections went forward, and in May 1993, Wasmosy was elected the first civilian president in almost 40 years, with Oviedo firmly behind him. Around the same time, President Rodriguez issued Oviedo his fourth warning for insubordination for organizing political rallies in direct contradiction to orders. Oviedo continued his activities but vigorously denied coup intentions.

15. (C) Upon Wasmosy's election, Embassy reporting reveals that Oviedo was jeered publicly and criticized by President Carter and the European Union parliament. Oviedo blamed the U.S. Embassy (and then-Ambassador Glassman) for his problems. Colorado dissident leader Luis Argana became Oviedo's nemesis. Argana called Oviedo "a major threat to Paraguayan democracy" and wanted to force him to step down. Oviedo threatened to mobilize 200,000 people to surround Congress and shut it down. He claimed to control President Wasmosy and verbally attacked and threatened to expel Ambassador Glassman for "internal interference." Embassy reporting in 1994 refers to Oviedo as having ties to drug traffickers and possible ties to the assassination of the director of Paraguay's counternarcotics unit (SENAD).

OVIEDO'S PRESIDENTIAL CANDIDACY AND YET ANOTHER COUP

16. (C) The three main candidates for the 1996 Colorado primary were Argana, Senator Blas Riquelme (who Oviedo supported), and Vice President Angel Seifart. The primary was postponed five times over Argana's objections. By this time, Oviedo had become Army Commander. Oviedo declared all three candidates "crazy" but still denied plans to run for office, stating that instead he would "retire to the country to tend horses and make cheese." President Wasmosy, worried about Oviedo's potential to undermine his government, ordered him to step down in April. Oviedo refused and gathered troops for a coup attempt. After a two-day standoff, in which Wasmosy sought refuge in this Embassy, Oviedo relented and turned in his resignation, expecting to be appointed Defense Minister as had been agreed. Wasmosy reneged under public pressure, leading Oviedo supporters to march on the palace (Wasmosy escaped in a helicopter). Wasmosy ordered Oviedo's arrest in June for sedition. (NOTE: As a consequence of these events, this Embassy denied Oviedo's January 1997 visa application on terrorism grounds. END NOTE). Oviedo, undeterred by the criminal proceedings against him, sought and won the Colorado party nomination for president, defeating Luis Maria Argana.

17. (C) A military tribunal sentenced Oviedo to ten years in jail for sedition and rebellion in March 1998 (upheld on appeal that April). The Supreme Court nullified Oviedo's candidacy, and the 1998 general elections were postponed to allow Oviedo's running mate, Raul Cubas, to conduct a presidential campaign. As the Colorado presidential candidate, Cubas was elected president in May 1998. But everyone knew that Oviedo was calling the shots.

ASSASSINATION OF VICE-PRESIDENT ARGANA AND MARZO PARAGUAYO

¶8. (C) Upon entering office in August 1998, Cubas' first acts were to commute Oveido's sentence and release him from confinement. The Supreme Court found Cubas' actions unconstitutional, but Cubas openly defied the court in February 1999. Cubas' actions further strained relations with Vice President Luis Maria Argana. Argana and his supporters then began impeachment proceedings against President Cubas in February 1999. Then, Vice President Argana was assassinated on March 23, 1999. The Lower House impeached Cubas the following day, March 24. A few days later, on March 26, eight student demonstrators were shot and killed in the now infamous "Marzo Paraguayo." Embassy reporting at the time described a "near universal perception" that Oviedo ordered the Argana murder and was responsible for the students' deaths. Oviedo was charged with involvement in both. Because of Senate plans to vote to remove Cubas on March 29, Cubas resigned from office March 28 and Senate President Luis Gonzalez Macchi was sworn in the same day.

DOING TIME

¶9. (C) Oviedo fled to Argentina, where he continued to direct Paraguayan political activities. In March 1999, Argentina refused to extradite Oviedo to Paraguay, instead granting him political asylum. In December 1999, Oviedo left exile in Argentina for Brazil because Argentina's new president, Fernando de la Rúa, said he would force Oviedo out of the country. Eventually, Oviedo was arrested for weapons charges in Brazil in 2000. In 2000, Oviedo also launched a "mini-coup" (a lone tank fired a few rounds at Congress) just to keep pressure on -- and his name on everyone's tongues.

¶10. (C) Oviedo spent seven months in prison in Brazil; Brazil rejected Paraguay's request to extradite Oviedo in December 2001. Embassy reporting notes that he orchestrated protests in September 2002 to demand the resignation of President Gonzalez Macchi. Oviedo needed Congress plus the president to grant him amnesty so he could run in the 2003 elections. Oviedistas led impeachment proceedings against Gonzalez Macchi, who survived the impeachment trial. Without amnesty, Oviedo did not compete in the 2003 elections.

¶11. (SBU) In June 2004, Oviedo voluntarily returned to Paraguay from Brazil to face criminal charges. After a series of legal (and political) maneuvers, Oviedo was released conditionally from prison on September 6, 2007. The Supreme Court overturned his conviction on October 30, and on the same day, the National Electoral Court registered him to vote, thus reinstating his full civil and political rights (and enabling him to run for president). Technically he still faces possible charges on both.

COMMENT

¶12. (C) Many Paraguayans gloss over Oviedo's role in Paraguayan history, choosing to focus on his strong leadership skills and role in ending Stroessner's dictatorship. To this day, Oviedo insists that he always fought for democracy, but the powers that be (including the U.S. Embassy) distorted past events in order to prejudice him politically. He charges that the U.S. Embassy was "tricked" by his political opponents into believing the worst about him. Washington should not take Oviedo at his word on this. Criminal charges were brought against him for involvement in the 1996 attempted coup and the 1999 assassination of Vice President Argana for good reason, not to mention his other attempted coups, narcotics trafficking, and a wide range of political activities, all of which led the U.S. Embassy to "remove his democratic credentials."

¶13. (C) Instead of holding a grudge against the United States, Oviedo actively seeks our approval and close relations, including our "formal recognition" of his democratic credentials. Given Oviedo's long association with

the Colorado Party and his perceived track record of organizational success via the military, Oviedo's appeal to voters, particularly the lower socio-economic sectors of society seeking improved security and a safe bridge to change, is undeniable. It's been enough to get him back in the political game, with his party likely to do very well in Congress and well-positioned to exert pressure on the next president. Unless, of course, he is that next president.
END COMMENT.

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